

Message Text

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ORIGIN STR-07

INFO OCT-01 NEA-10 IO-13 ISO-00 STRE-00 CIAE-00
DODE-00 NSAE-00 NSCE-00 SSO-00 ICAE-00 INRE-00
COM-02 AGRE-00 CEA-01 EB-08 FRB-03 H-01 INR-10
INT-05 L-03 LAB-04 PA-01 CTME-00 AID-05 SS-15
ITC-01 TRSE-00 SP-02 SOE-02 OMB-01 DOE-15 OIC-02
/112 R

DRAFTED BY STR/SO'LEARY:MAW
APPROVED BY STR: DCOOPER
STATE: JSLATTERY(SUB)
-----038423 070104Z /62
O 070014Z JUL 78
FM SECSTATE WASHDC
TO AMEMBASSY NEW DELHI IMMEDIATE
USMISSION GENEVA IMMEDIATE

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PASS LANCE GRAEF AND STEVE LANDE - U.S. MTN

E.O. 11652: N/A

TAGS: MTN

SUBJECT: FINAL TEXT OF U.S. - INDIAN TROPICAL PRODUCTS
UNDERSTANDING

REF: NEW DELHI 10132

1. PER REFTEL INQUIRY,BELOW IS THE FINAL AGREED UPON
TEXT OF THE U.S. AND INDIAN TROPICAL PRODUCTS LETTERS,
WHICH HODA REQUESTED FROM EMBASSY IN NEW DELHI.

2. BASED ON MTN DEL DISCUSSIONS WITH INDIAN DEL REQUEST
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THAT LANDE OR GRAEF RESPOND TO PARA 3 OF REFTEL REGARD-
ING SCHEDULING OF SIGNING.

3. UNITED STATES LETTER: DEAR ,

(1) I HAVE TAKEN NOTE OF YOUR LETTER OF
REFERRING TO THE AUTONOMOUS MEASURES TAKEN BY YOUR

GOVERNMENT, PARTICULARLY THOSE MEASURES WHICH BENEFIT UNITED STATES EXPORTS TO INDIA AND THE STATEMENT IN YOUR LETTER THAT THE LIBERALIZATION MENTIONED IN SUB-PARAGRAPHS (I), (III) AND (IV) OF PARAGRAPH 2 AND IN PARAGRAPH 3 COINCIDES WITH THE REQUESTS OF THE GOVERNMENT

OF THE UNITED STATES OF AMERICA. I HAVE FURTHER TAKEN NOTE OF THE LETTER NO. 10/46/75-TPD DATED FEBRUARY 24TH 1978, FROM MR. S. P. SHUKLA TO MR. STEPHEN LANDE WHICH EXPLAINS THE SPECIFIC LIBERALIZATION MEASURES ON SPARE PARTS AND ON DRIED, SALTED OR PRESERVED FRUITS, WHICH INCLUDE ALMONDS, REFERRED TO IN YOUR AFOREMENTIONED LETTER.

(2) I HAVE ALSO NOTED THAT SUBJECT TO PERIODIC POLICY REVIEWS AND IN ACCORDANCE WITH THE OBLIGATIONS AND RIGHTS UNDER THE GENERAL AGREEMENT ON TARIFFS AND TRADE, THE GOVERNMENT OF INDIA HOPES TO MAINTAIN THE PROCESS OF LIBERALIZATION CONSISTENT WITH INDIA'S DEVELOPMENT, FINANCIAL AND TRADE NEEDS, FROM WHICH HER MAJOR TRADING PARTNERS HAVE DERIVED AND CAN DERIVE FURTHER BENEFITS. I HOPE THAT THE GOVERNMENT OF INDIA WILL FIND IT POSSIBLE TO GIVE POSITIVE CONSIDERATION TO THE REMAINING REQUESTS OF THE GOVERNMENT OF THE UNITED STATES OF AMERICA WHICH WE WILL RECOGNIZE AS FURTHER CONTRIBUTIONS BY INDIA IN THE MULTILATERAL TRADE NEGOTIATIONS.

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(3) I AM PLEASED TO CONFIRM THAT MY GOVERNMENT DESIRES TO IMPLEMENT THE ATTACHED LIST "A" OF THE TROPICAL PRODUCT OFFER BY THE GOVERNMENT OF THE UNITED STATES OF AMERICA NOT LATER THAN SIXTY DAYS AFTER THIS EXCHANGE OF LETTERS. THE GOVERNMENT OF THE UNITED STATES OF AMERICA WILL IMPLEMENT THE CONCESSIONS ON THE ATTACHED LIST "B" OF THIS TROPICAL PRODUCT OFFER, UNLESS THERE IS FAILURE TO REACH SATISFACTORY AGREEMENT WITH OTHER COUNTRIES WHO ARE PRINCIPAL OR SUBSTANTIAL SUPPLIERS. IN LIGHT OF THE ABOVE, IF THE GOVERNMENT OF THE UNITED STATES OF AMERICA DOES NOT IMPLEMENT THESE CONCESSIONS WITHIN A REASONABLE PERIOD OF TIME, CONSULTATIONS WILL TAKE PLACE TO DETERMINE ALTERNATIVE CONCESSIONS.

(4) THIS EXCHANGE OF LETTERS WILL CONSTITUTE AN UNDERSTANDING BETWEEN OUR GOVERNMENTS. SUCH AN UNDERSTANDING WILL TERMINATE AT THE TIME THAT TARIFF REDUCTIONS, PURSUANT TO AN OVERALL AGREEMENT ON TARIFFS IN THE MULTILATERAL TRADE NEGOTIATIONS, ARE INITIALLY IMPLEMENTED BY THE GOVERNMENT OF THE UNITED STATES OF AMERICA. WITHOUT PREJUDICE TO THE NEGOTIATING POSITION

OF EITHER PARTY, IT IS EXPECTED THAT THE RESULTS OF THIS UNDERSTANDING WILL BE INCORPORATED INTO SUCH AN OVERALL MULTILATERAL TRADE NEGOTIATIONS AGREEMENT.

(5) IN THE INTERIM, RELYING UPON THE MEASURES CITED IN YOUR LETTER, THE GOVERNMENT OF THE UNITED STATES OF AMERICA WILL PROVIDE MAXIMUM POSSIBLE SECURITY, CONSISTENT WITH THE TIME LIMITS ALLOWED BY U.S. LAW, FOR ITS CONCESSIONS.

YOURS SINCERELY,

4. INDIAN LETTER: DEAR . . . ,

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(1) I AM PLEASED TO INFORM YOU THAT THE GOVERNMENT OF INDIA HAS TAKEN A NUMBER OF AUTONOMOUS MEASURES DURING THE LAST TWO YEARS IN THE DIRECTION OF IMPORT TRADE LIBERALIZATION. THESE FORM A BASIS OF MY GOVERNMENT'S CONTRIBUTION TO THE ATTAINMENT OF THE OVERALL OBJECTIVES OF THE MULTILATERAL TRADE NEGOTIATIONS.

(2) A NUMBER OF THESE MEASURES ALSO BENEFITS UNITED STATES EXPORTS TO INDIA SUCH AS THE FOLLOWING:

(I) THE WITHDRAWAL BY THE GOVERNMENT OF INDIA OF THE PREFERENCES EXTENDED TO THE UNITED KINGDOM UNDER THE UNITED KINGDOM-INDIA TRADE AGREEMENT, 1939. THE VALUE OF UNITED STATES EXPORTS, BASED ON 1975-76 STATISTICS, BENEFITTING FROM THIS PERMANENT WITHDRAWAL IN JULY 1977 AMOUNTED TO RS. 311.6 MILLION WHICH REPRESENTED 15.7 PERCENT OF INDIA'S IMPORTS FROM ALL SOURCES.

(II) THE IMPORT POLICY REGARDING MACHINE TOOLS HAS BEEN LIBERALIZED AS DETAILED IN "IMPORT TRADE CONTROL POLICY", VOL. I, APRIL 1977-MARCH 1978. THE VALUE OF UNITED STATES EXPORTS OF MACHINE TOOLS ALONE, BASED ON 1975-76 STATISTICS, THAT WOULD BENEFIT FROM THESE MEASURES WAS OF THE ORDER OF RS. 15.54 MILLION WHICH REPRESENTED ABOUT 7 PERCENT OF OUR TOTAL IMPORTS.

(III) THE IMPORT POLICY FOR SPARE PARTS OF EQUIPMENT FOR GAS AND OIL DRILLING WELLS HAS BEEN SUBSTANTIALLY LIBERALIZED, AS PART OF THE POLICY IN REGARD TO SPARE PARTS IN GENERAL WHICH IS DETAILED IN "IMPORT TRADE CONTROL POLICY", VOL. I, APRIL 1977-MARCH 1978.

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(IV) THE IMPORT POLICY OF ALMONDS HAS BEEN SUBSTANTIALLY LIBERALIZED AS PART OF OUR POLICY IN REGARD TO DRIED, SALTED OR PRESERVED FRUITS.

(3) IN ORDER TO RESOLVE CERTAIN PRACTICAL DIFFICULTIES THAT HAD ARISEN IN THE FIELD OF MICA EXPORTS FROM INDIA, THE FLOOR PRICES OF MICA POWDER AND BRIDGE MICA WERE REDUCED, THE SHARING FORMULA FOR EXPORT OF MICA BELOW SIZE NO. 5 WAS ELIMINATED AND THE DIVISION OF MICA SCRAP INTO TWO CATEGORIES WAS DISCONTINUED.

(4) THE LIBERALIZATION MENTIONED IN SUB-PARAGRAPHS (I), (III), AND (IV) OF PARAGRAPH 2 AND IN PARAGRAPH 3 COINCIDES WITH THE REQUESTS OF THE GOVERNMENT OF THE UNITED STATES OF AMERICA. SUBJECT TO PERIODIC POLICY REVIEWS AND IN ACCORDANCE WITH THE OBLIGATIONS AND RIGHTS UNDER THE GENERAL AGREEMENT ON TARIFFS AND TRADE, WE HOPE TO MAINTAIN THE PROCESS OF LIBERALIZATION CONSISTENT WITH INDIA'S DEVELOPMENT, FINANCIAL AND TRADE NEEDS, FROM WHICH OUR MAJOR TRADING PARTNERS HAVE DERIVED AND CAN DERIVE FURTHER BENEFITS.

AS STATED IN YOUR LETTER OF TODAY'S DATE, MY GOVERNMENT REQUESTS YOUR GOVERNMENT AND YOUR GOVERNMENT HAS AGREED TO IMPLEMENT THE ATTACHED LISTS OF THE TROPICAL PRODUCT OFFER BY THE GOVERNMENT OF THE UNITED STATES OF AMERICA. MY GOVERNMENT FURTHER HOPES YOUR GOVERNMENT WILL BIND THESE CONCESSIONS IN THE GENERAL AGREEMENT ON TARIFFS AND TRADE.

MY GOVERNMENT CONCURS THAT THIS EXCHANGE OF LETTERS WILL CONSTITUTE AN UNDERSTANDING OF THE TYPE DESCRIBED IN YOUR LETTER. MY GOVERNMENT ALSO HOPES THAT THE GOVERNMENT OF THE UNITED STATES OF AMERICA WILL FIND IT POSSIBLE TO GIVE ADDITIONAL CONCESSIONS ON ITEMS OF INTEREST TO US DURING THE MULTILATERAL TRADE NEGOTIATIONS.

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YOURS SINCERELY,

5. FINAL LISTS A AND B OF U.S. TROPICAL PRODUCTS OFFER BEING CABLED SEPTTEL IMMEDIATE. VANCE

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: TROPICAL PRODUCTS, TRADE AGREEMENTS
Control Number: n/a
Copy: SINGLE
Draft Date: 07 jul 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Document Source: CORE
Document Unique ID: 00
Drafter: MAW
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780278-0426
Format: TEL
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780785/aaaactrb.tel
Line Count: 222
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: ad546479-c288-dd11-92da-001cc4696bcc
Office: ORIGIN STR
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 5
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Previous Handling Restrictions: n/a
Reference: 78 NEW DELHI 10132
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 05 may 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: N/A
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2085560
Secure: OPEN
Status: NATIVE
Subject: FINAL TEXT OF U.S. - INDIAN TROPICAL PRODUCTS UNDERSTANDING
TAGS: ETRD, MTN
To: NEW DELHI GENEVA
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/ad546479-c288-dd11-92da-001cc4696bcc
Review Markings:
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